

117TH CONGRESS  
1ST SESSION

S. 2240

To establish a national and community service pay for results program.

IN THE SENATE OF THE UNITED STATES

JUNE 24, 2021

Mr. YOUNG (for himself and Mr. REED) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

# A BILL

To establish a national and community service pay for results program.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### 3 SECTION 1. SHORT TITLE.

4 This Act may be cited as the “Volunteer Innovation  
5 Act”.

## **6 SEC. 2. NATIONAL SERVICE PAY FOR RESULTS PILOT PRO-**

## 7 GRAM.

8 Subtitle H of title I of the National and Community  
9 Service Act of 1990 (42 U.S.C. 12653 et seq.) is amend-  
0 ed—

1                             (1) by redesignating parts IV and V as parts V  
2                             and VI, respectively; and

3                             (2) by inserting after part III the following:

4                             **PART IV—NATIONAL SERVICE PAY FOR**  
5                             **RESULTS PROGRAM**

6                             **SEC. 198L. DEFINITIONS.**

7                             “In this part:

8                             “(1) B CORPS ENTITY.—The term ‘B Corps en-  
9                             tity’ means a private for-profit entity that—

10                             “(A) has social sustainability or environ-  
11                             mental performance standards;

12                             “(B) has accountability standards; and

13                             “(C) is transparent in reporting the enti-  
14                             ty’s social or environmental performance.

15                             “(2) B CORPS PARTNERSHIP.—The term ‘B  
16                             Corps partnership’ means a partnership between a B  
17                             Corps entity and one or more community-based enti-  
18                             ties (as such term is defined in section 101).

19                             “(3) ELIGIBLE ENTITY.—The term ‘eligible en-  
20                             tity’ means—

21                             “(A) a B Corps partnership; or

22                             “(B) a community-based entity (as defined  
23                             in section 101).

24                             “(4) INTERVENTION.—The term ‘intervention’  
25                             means a specific service delivered to achieve an im-

1 pact through a national service pay for results  
2 project.

3 “(5) NATIONAL SERVICE PAY FOR RESULTS  
4 MODEL.—The term ‘national service pay for results  
5 model’ means a method of financing national service  
6 programs in which—

7                 “(A) Federal funds are awarded to a eligible  
8                 entity, only if the eligible entity achieves  
9                 certain outcomes agreed on by the entity and  
10                 the Corporation;

11                 “(B) the eligible entity coordinates with  
12                 the Chief Executive Officer and investors to  
13                 identify—

14                 “(i) an intervention expected to  
15                 produce the outcome; and

16                 “(ii) investors to fund the delivery of  
17                 the intervention; and

18                 “(C) the eligible entity implements the  
19                 intervention through the use of participants.

20                 “(6) NATIONAL SERVICE PAY FOR RESULTS  
21                 PROJECT.—The term ‘national service pay for re-  
22                 sults project’ means a project that finances national  
23                 service programs using a national service pay for re-  
24                 sults model.

1                 “(7) PARTICIPANT.—The term ‘participant’ has  
2                 the meaning given the term in section 101.

3         **SEC. 198M. NATIONAL SERVICE PAY FOR RESULTS PILOT**  
4                 **PROGRAM.**

5                 “(a) PLANNING PERIOD.—Not later than 15 days  
6     after the date of enactment of this section, the Corpora-  
7     tion shall begin a planning and consultation period in  
8     order to assess appropriate outreach needed to potential  
9     applicants. The Corporation shall conduct an internal re-  
10   view and assessment to plan appropriate allocation of staff  
11   and other resources needed to ensure successful implemen-  
12   tation of the program under this section.

13                 “(b) NOTICE.—

14                 “(1) IN GENERAL.—Not later than 12 months  
15     after the date of enactment of this part, the Chief  
16     Executive Officer shall publish in the Federal Reg-  
17     ister a request for proposals from eligible entities for  
18     national service pay for results projects in accord-  
19     ance with this section.

20                 “(2) MANNER OF NOTICE.—The Corporation  
21     shall provide advance notice to potential eligible enti-  
22     ty applicants of any national service priorities to be  
23     in effect for a fiscal year, in the same manner as  
24     such notice is provided under section 122(f)(2).

1       “(c) REQUIRED OUTCOMES FOR NATIONAL SERVICE  
2 PAY FOR RESULTS PROJECT.—To qualify as a national  
3 service pay for results project under this part, a project  
4 must effectively utilize participants to produce 1 or more  
5 measurable, clearly defined outcomes that result in Fed-  
6 eral savings and social benefit through any of the activities  
7 described in subparagraphs (B) of paragraphs (1) through  
8 (5) of section 122(a).

9       “(d) APPLICATION REQUIRED.—The notice described  
10 in subsection (b) shall require a eligible entity to submit,  
11 not later than 6 months after the date of publication in  
12 the Federal Register under subsection (b), an application  
13 for the national service pay for results project that ad-  
14 dresses each of the following:

- 15           “(1) The outcome goals of the project.
- 16           “(2) The anticipated number of participants  
17         needed to implement the project.
- 18           “(3) The criteria used to determine the eligi-  
19         bility of a participant for the project, including how  
20         the potential participants will be identified, how such  
21         participants will be recruited for the project, and  
22         how such participants will be trained for their roles  
23         in the project.
- 24           “(4) A description of each intervention in the  
25         project and anticipated outcomes of the intervention.

1           “(5) A plan for implementing each intervention  
2 through the use of participants.

3           “(6) Rigorous evidence demonstrating that the  
4 intervention can be expected to produce the desired  
5 outcomes.

6           “(7) The target population that will be served  
7 by the project.

8           “(8) The expected social benefits to individuals  
9 who receive the intervention, the participants work-  
10 ing on the project, and others who may be impacted.

11          “(9) The projected cost to the eligible entity to  
12 carry out the project, and any costs to the Federal,  
13 State, or local government associated with the  
14 project.

15          “(10) Projected Federal, State, and local gov-  
16 ernment savings and other savings, including an es-  
17 timate of the savings to the Federal Government, on  
18 a program-by-program basis and in the aggregate, if  
19 the project is implemented and the outcomes are  
20 achieved as a result of the intervention.

21          “(11) If savings resulting from the successful  
22 completion of the project are estimated to accrue to  
23 a State or local government, the likelihood of the  
24 State or local government to realize those savings.

1           “(12) A description of the expertise of the eligi-  
2       ble entity, including a summary of the experience of  
3       the eligible entity in delivering the proposed inter-  
4       vention or a similar intervention, or demonstrating  
5       that the eligible entity has the expertise necessary to  
6       deliver the proposed intervention.

7           “(13) An explanation of the experience of the  
8       eligible entity in raising private and philanthropic  
9       capital to fund social service investments.

10          “(14) A description of the expertise of investors  
11       that the eligible entity intends to partner with, to  
12       the extent that the eligible entity may have identified  
13       those investors by the time the application is sub-  
14       mitted.

15          “(15) A summary of the unmet need in the  
16       area where the intervention will be delivered or  
17       among the target population who will receive the  
18       intervention.

19          “(16) The proposed payment terms, the meth-  
20       odology used to calculate outcome payments, the  
21       payment schedule, and performance thresholds.

22          “(17) The project budget.

23          “(18) The project timeline, provided that, not-  
24       withstanding section 187, all projects shall be lim-  
25       ited to a duration of 5 years.

1           “(19) The criteria used to determine the eligi-  
2       bility of an individual to be served by the project, in-  
3       cluding how selected populations will be identified,  
4       how they will be referred to the project, and how  
5       they will be enrolled in the project.

6           “(20) The evaluation design.

7           “(21) The metrics that will be used in the eval-  
8       uation to determine whether the outcomes have been  
9       achieved as a result of the intervention and how the  
10      metrics will be measured.

11          “(22) An explanation of how the metrics used  
12       in the evaluation to determine whether the outcomes  
13       achieved as a result of the intervention are inde-  
14       pendent, objective indicators of impact and are not  
15       subject to manipulation by the eligible entity or in-  
16       vestor.

17          “(23) A summary explaining the independence  
18       of the evaluator from the other entities involved in  
19       the project and the evaluator’s experience in con-  
20       ducting rigorous evaluations of program effective-  
21       ness including, where available, well-implemented  
22       randomized controlled trials on the intervention or  
23       similar interventions.

24          “(24) Any potential payment disputes related to  
25       the outcomes of the evaluation.

1           “(25) The capacity of the eligible entity to de-  
2 liver the intervention to the number of participants  
3 the eligible entity proposes to serve in the project.

4           “(26) The assurances described in sections  
5 131(e) and 132(a), except that such assurances shall  
6 apply to the project carried out using assistance pro-  
7 vided under this part.

8           “(e) PROHIBITED ACTIVITIES AND INELIGIBLE OR-  
9 GANIZATIONS.—

10          “(1) COMMUNITY-BASED ENTITY.—Section  
11 132A shall apply to community-based entities car-  
12 rying out a national service pay for results project  
13 under this part and to participants in those projects.

14          “(2) B CORPS ENTITY.—For purposes of sec-  
15 tion 132(a)(1) and section 132A(a)(8)(A), a B  
16 Corps entity shall not be considered a business orga-  
17 nized for profit.

18 **“SEC. 198N. AWARDING NATIONAL SERVICE PAY FOR RE-**  
19 **SULTS PILOT PROGRAM FUNDS.**

20          “(a) TIMELINE IN AWARDING AGREEMENT.—

21          “(1) IN GENERAL.—Not later than 3 months  
22 after the deadline for applications in accordance  
23 with section 198M has expired, the Chief Executive  
24 Officer shall select not less than 4 and not more  
25 than 6 community-based entities or eligible entities

1       to participate in national service pay for results  
2       projects.

3           “(2) FEWER APPLICANTS.—Notwithstanding  
4       paragraph (1), if fewer than 4 community-based en-  
5       tities or eligible entities meet the requirements of  
6       this part, the Chief Executive Officer may select  
7       fewer than 4 entities or partnerships.

8           “(b) CONSIDERATIONS IN AWARDING AGREEMENT.—  
9       In determining whether to enter into an agreement for a  
10      national service pay for results project (the application for  
11      which was submitted under section 198M) the Chief Exec-  
12      utive Officer shall—

13           “(1) seek to ensure geographic diversity in se-  
14       lected entities, including by selecting not less than 1  
15       eligible entity that plans to serve a rural community  
16       and not less than 1 eligible entity that plans to serve  
17       an urban community; and

18           “(2) consider—

19           “(A) the anticipated utilization of partici-  
20       pants, and whether the eligible entity plans to  
21       utilize participants who come from a high-risk  
22       background;

23           “(B) the value to the Federal Government  
24       of the outcomes expected to be achieved if the

1           outcomes specified in the agreement are  
2           achieved as a result of the intervention;

3           “(C) the likelihood, based on evidence pro-  
4           vided in the application and other evidence, that  
5           the eligible entity will achieve those outcomes;

6           “(D) the savings to the Federal Govern-  
7           ment if the outcomes specified in the agreement  
8           are achieved as a result of the intervention;

9           “(E) the savings to State and local govern-  
10          ments if the outcomes specified in the agree-  
11          ment are achieved as a result of the interven-  
12          tion; and

13          “(F) the expected quality of the evaluation  
14          that would be conducted with respect to the  
15          agreement.

16          “(c) AGREEMENT AUTHORITY.—

17          “(1) AGREEMENT REQUIREMENTS.—The Chief  
18          Executive Officer may enter into an agreement for  
19          a national service pay for results project with an eli-  
20          gible entity selected under this part if the Chief Ex-  
21          ecutive Officer determines that each of the following  
22          requirements are met:

23           “(A) The eligible entity agrees to achieve 1  
24           or more outcomes as a result of the interven-  
25           tion, as specified in the agreement and vali-

1 dated by independent evaluation, in order to re-  
2 ceive payment.

3 “(B) The Federal payment to the eligible  
4 entity for each specified outcome achieved as a  
5 result of the intervention is less than or equal  
6 to the value of the outcome to the Federal Gov-  
7 ernment over a period not to exceed 10 years,  
8 as determined by the Chief Executive Officer, in  
9 consultation with the entity.

10 “(C) The project will begin not more than  
11 12 months after the eligible entity has been se-  
12 lected.

13 “(D) Notwithstanding section 187, the du-  
14 ration of the project does not exceed 5 years.

15 “(E) The eligible entity has demonstrated,  
16 through the application submitted under section  
17 198M, that, based on prior rigorous experi-  
18 mental evaluations or rigorous quasi-experi-  
19 mental studies, the intervention can be expected  
20 to achieve each outcome specified in the agree-  
21 ment.

22 “(F) The eligible entity has experience  
23 raising private or philanthropic capital to fund  
24 social service investments. To the extent the eli-  
25 gible entity does not have such experience or is

1       unable to secure private or philanthropic capital  
2       prior to its application submission, the Corpora-  
3       tion may assist selected programs in attaining  
4       such funding.

5           “(G) The eligible entity applying for the  
6       program has shown that it has experience deliv-  
7       ering the intervention, a similar intervention, or  
8       has otherwise demonstrated the expertise nec-  
9       essary to deliver the intervention.

10          “(H) The project will utilize participants  
11       to implement the intervention.

12          “(2) ABILITY TO FINANCE PROJECT.—

13           “(A) PLAN.—On the date that is 6 months  
14       after the date of an agreement under this sub-  
15       section—

16              “(i) the eligible entity shall provide  
17       the Chief Executive Officer with a plan  
18       demonstrating that the entity has the ca-  
19       pability to fully fund the up-front costs of  
20       the project and will have such funds avail-  
21       able and reserved for the project not later  
22       than 1 year after the date of such agree-  
23       ment; and

24              “(ii) if the Chief Executive Officer  
25       finds that the eligible entity is not likely to

1           have the capability to fully fund the up  
2           front costs of the project, the Chief Execu-  
3           tive Officer may terminate such agreement.

4           “(B) FUNDS RESERVED.—On the date  
5           that is 6 months after the date of an agreement  
6           under this subsection, if the eligible entity does  
7           not have the funds available and reserved to  
8           fully fund the up-front costs of the project, the  
9           Chief Executive Officer may terminate the  
10          agreement under this subsection.

11          “(3) IMPACT OF SELECTION.—Subject to para-  
12          graph (2), for purposes of applying provisions of  
13          subtitles C, D, and F under this part, if the Cor-  
14          poration enters into an agreement with an entity for  
15          a project under this section—

16           “(A) the project shall be considered to be  
17           a national service program under section  
18           122(a); and

19           “(B) the entity shall be considered to be a  
20          grant recipient under subtitle C.

21          “(4) PAYMENT.—

22           “(A) IN GENERAL.—The eligible entity se-  
23          lected under this part shall pay the entire up-  
24          front costs of the project under this part.

1                 “(B) OUTCOME PAYMENT.—The Corpora-  
2                 tion shall pay the selected eligible entity, after  
3                 completion of the project, only if the inde-  
4                 pendent evaluator described in section 198N–  
5                 1(b) determines that the national service pay  
6                 for results project has met the requirements  
7                 specified in the agreement and achieved an out-  
8                 come as a result of the intervention, as specified  
9                 in the agreement and validated by independent  
10                 evaluation.

11                 “(C) AMOUNT OF PAYMENT.—The Cor-  
12                 poration shall have discretion in determining  
13                 the amount of funds awarded for each pay for  
14                 results project under this part, except that such  
15                 amount shall be specified as part of the agree-  
16                 ment with each entity under this section and  
17                 shall be consistent with the requirements of  
18                 part III of subtitle C, and subtitle D.

19                 “(D) APPLICABILITY OF LIMITATION ON  
20                 PROGRAM GRANT COSTS.—Section 189 shall not  
21                 apply to a pay for results project under this  
22                 part.

23                 “(d) NATIONAL SERVICE MEMBERS.—

24                 “(1) IN GENERAL.—For purposes of applying  
25                 subtitles C, D, and F under this part, the Corpora-

1       tion shall consider a participant in a pay for results  
2       project under this part to be a participant in a na-  
3       tional service program in the same manner as, and  
4       under the same conditions as, a participant in a pro-  
5       gram under subtitle C. Unless otherwise specified in  
6       this part, the terms and conditions applicable to a  
7       participant under subtitle C, including the terms and  
8       conditions described under part III of that subtitle,  
9       shall apply in the same manner to a participant who  
10      participates in a pay for results program under this  
11      part.

12           “(2) ELIGIBLE ENTITY RESPONSIBILITY.—Each  
13      selected eligible entity will be responsible for recruit-  
14      ing, selecting, and training the participants partici-  
15      pating in projects carried out by that eligible entity  
16      under this part, consistent with part III of that sub-  
17      title. The entity shall carry out the responsibilities  
18      and authorities described in part III of that subtitle  
19      for a grant recipient.

20           “(3) ELIGIBILITY FOR EDUCATIONAL AWARD.—  
21      Participants in a pay for results project under this  
22      part shall be eligible for a national service edu-  
23      cational award described in section 146 in the same  
24      manner as, and under the same conditions as, indi-

1       viduals who participate in other approved national  
2       service positions.

3       **“SEC. 198N-1. EVALUATIONS.**

4       “(a) AUTHORITY TO ENTER INTO AGREEMENTS.—  
5       For each eligible entity awarded a national service pay for  
6       results project approved by the Chief Executive Officer  
7       under this part, the Corporation shall enter into an agree-  
8       ment with such eligible entity to pay for all or part of  
9       the independent evaluation to determine whether the enti-  
10      ty’s project has achieved a specific outcome as a result  
11      of the intervention in order for the selected entity to re-  
12      ceive outcome payments under this part.

13       “(b) EVALUATOR QUALIFICATIONS.—The Corpora-  
14      tion may not enter into an agreement with an entity under  
15      this section unless the Corporation determines that—

16           “(1) the evaluator is independent of the other  
17        parties to the agreement; and

18           “(2) the evaluator has demonstrated substantial  
19        experience in conducting rigorous evaluations of pro-  
20        gram effectiveness including, where available and ap-  
21        propriate, well-implemented randomized controlled  
22        trials on the intervention or similar interventions.

23       “(c) METHODOLOGIES TO BE USED.—The evalua-  
24      tion used to determine whether a eligible entity will receive  
25      outcome payments under this part shall use experimental

1 designs using random assignment, or other reliable, evi-  
2 dence-based research methodologies that allow for the  
3 strongest possible causal inferences when random assign-  
4 ment is not feasible.

5       “(d) PROGRESS REPORT.—

6           “(1) SUBMISSION OF REPORT.—The eligible en-  
7 tity shall ensure that the independent evaluator  
8 will—

9               “(A) not later than 2 years after a project  
10 has been approved by the Chief Executive Offi-  
11 cer and annually thereafter until the project is  
12 concluded, submit to the Chief Executive Offi-  
13 cer a written report summarizing the progress  
14 that has been made in achieving each outcome  
15 specified in the agreement; and

16               “(B) before the scheduled time of the first  
17 outcome payment and before the scheduled time  
18 of each subsequent payment, submit to the  
19 Chief Executive Officer a written report that in-  
20 cludes the results of the evaluation conducted to  
21 determine whether an outcome payment should  
22 be made along with information on the unique  
23 factors that contributed to achieving or failing  
24 to achieve the outcome, the challenges faced in  
25 attempting to achieve the outcome, and infor-

1 mation on the improved future delivery of this  
2 or similar interventions.

3 “(2) SUBMISSION TO THE CEO AND CON-  
4 GRESS.—Not later than 30 days after receipt of the  
5 written report pursuant to paragraph (1)(B), the  
6 Chief Executive Officer shall submit the report to  
7 each of the authorizing committees.

8 “(e) FINAL REPORT.—

9 “(1) SUBMISSION OF REPORT.—The eligible en-  
10 tity shall ensure that the independent evaluator will,  
11 not later than 6 months after the national service  
12 pay for results project is completed—

13 “(A) evaluate the effects of the activities  
14 undertaken pursuant to the agreement with re-  
15 gard to each outcome specified in the agree-  
16 ment; and

17 “(B) submit to the Chief Executive Officer  
18 a written report that includes the results of the  
19 evaluation and the conclusion of the evaluator  
20 as to whether the eligible entity has fulfilled  
21 each obligation of the agreement, along with in-  
22 formation on the unique factors that contrib-  
23 uted to the success or failure of the project, the  
24 challenges faced in attempting to achieve the

1           outcome, and information on the improved fu-  
2           ture delivery of this or similar interventions.

3           “(2) SUBMISSION TO THE CEO AND CON-  
4           GRESS.—Not later than 30 days after receipt of the  
5           written report pursuant to paragraph (1)(B), the  
6           Chief Executive Officer shall submit the report to  
7           each authorizing committees.

8           “(f) LIMITATION ON COST OF EVALUATIONS.—Of  
9           the amounts appropriated to carry out this part, the Chief  
10          Executive Officer may not obligate more than 15 percent  
11          to evaluate the implementation and outcomes of the  
12          projects under this part.

13           “(g) APPLICABILITY OF OTHER EVALUATION PROVI-  
14          SIONS.—Section 179 shall not apply with respect to a na-  
15          tional service pay for results project that is evaluated in  
16          accordance with this section.

17        **“SEC. 198N-2. FUNDING.**

18           “(a) PROHIBITION ON FEDERAL FUNDING FOR  
19          CREDIT ENHANCEMENTS.—No amount appropriated to  
20          carry out this part may be used to provide any insurance,  
21          guarantee, or other credit enhancement to an eligible enti-  
22          ty under which a Federal payment would be made to an  
23          eligible entity, as the result of such entity failing to  
24          achieve an outcome specified in an agreement.

1        “(b) MATCHING FUNDS REQUIREMENTS NOT APPLI-  
2 CABLE.—An eligible entity awarded an agreement under  
3 this part shall not be subject to the matching funds re-  
4 quirement in section 121(e) or any other matching funds  
5 requirements that are applicable to activities funded under  
6 this Act.”.

7 **SEC. 3. CONFORMING AMENDMENTS.**

8        (a) TYPES OF NATIONAL SERVICE POSITIONS.—Sec-  
9 tion 123 of the National and Community Service Act of  
10 1990 (42 U.S.C. 12573) is amended—

11              (1) by redesignating paragraph (8) as para-  
12 graph (9); and

13              (2) by inserting after paragraph (7) the fol-  
14 lowing:

15              “(8) A position for a participant in a national  
16 service pay for results project that is selected under  
17 part IV of subtitle H.”.

18        (b) PROVISION OF APPROVED NATIONAL SERVICE  
19 POSITIONS.—Section 129 of such Act (42 U.S.C. 12581)  
20 is amended—

21              (1) in the first sentence of subsection (c)—

22                  (A) by striking “or as” and inserting “,  
23 as”; and

24                  (B) by striking “shall receive” and insert-  
25 ing “or as a national service member in a na-

1           tional service pay for results project that is se-  
2           lected under part IV of subtitle H shall re-  
3           ceive”; and

4           (2) in subsections (j)(1) and (k)(3), by striking  
5           “501(a)(2)” and inserting “501(a)(2)(A)”.

6           (c) APPROVAL PROCESS FOR APPROVED POSI-  
7 TIONS.—Section 149 of such Act (42 U.S.C. 12606) is  
8 amended—

9           (1) in subsection (a)(1)(A)(ii), by inserting  
10          after “section 123” the following: “or enters into an  
11          agreement with an entity to carry out a national  
12          service pay for results project under part IV of sub-  
13          title H”; and

14          (2) in subsection (b)(1)(B)(ii), by striking “E  
15          of this title,” and inserting “E of this title, part IV  
16          of subtitle H of this title.”.

17          (d) LIMITATION ON PROGRAM GRANT COSTS.—Sec-  
18 tion 189(c) is amended by striking the period at the end  
19 and inserting “, and shall not apply to a pay for results  
20 project under part IV of subtitle H of title I.”.

21          (e) AUTHORIZATION OF APPROPRIATIONS.—Section  
22 501(a)(2) of such Act (42 U.S.C. 12681(a)(2)) is amend-  
23 ed to read as follows:

24           “(2) SUBTITLES C AND D.—

1                 “(A) IN GENERAL.—There are authorized  
2                 to be appropriated, for each fiscal year, such  
3                 sums as may be necessary to provide financial  
4                 assistance under subtitle C of title I and to pro-  
5                 vide national service educational awards under  
6                 subtitle D of title I for the number of partici-  
7                 pants described in section 121(f)(1) for that fis-  
8                 cal year, subject to subparagraph (B).

9                 “(B) PART IV OF SUBTITLE H.—The Cor-  
10                 poration shall transfer such sums as may be  
11                 necessary from the funds appropriated under  
12                 subparagraph (A) for that fiscal year to part IV  
13                 of subtitle H of title I, and use the funds to  
14                 provide national service educational awards  
15                 under subtitle D of title I for participants in  
16                 national service pay for results projects.

17                 “(C) FUNDS AVAILABLE UNTIL EX-  
18                 PENDED.—Funds obligated under subpara-  
19                 graph (B) shall remain available until ex-  
20                 pended, and any funds deobligated from a pay  
21                 for results project under part IV of subtitle H  
22                 shall immediately become available for activities  
23                 authorized under subtitle C.”.

## 1 SEC. 4. VISTA.

2       Title I of the Domestic Volunteer Service Act of 1973  
3 (42 U.S.C. 4950 et seq.) is amended by inserting after  
4 part C the following:

## 5 “PART D—NATIONAL SERVICE PAY FOR RESULTS

6 **PROGRAM**

## 7 "SEC. 131. DEFINITIONS.

8 “In this pa

9               “(1) B CORPS ENTITY.—The term ‘B Corps en-  
10              tity’ means a private for-profit entity that—

“(A) has social sustainability or environmental performance standards;

13                   “(B) has accountability standards; and

14                   “(C) is transparent in reporting the enti-  
15                   ty’s social or environmental performance.

16               “(2) B CORPS PARTNERSHIP.—The term ‘B  
17 Corps partnership’ means a partnership between a B  
18 Corps entity and one or more community-based enti-  
19 ties.

20                 “(3) COMMUNITY-BASED ENTITY.—The term  
21                 ‘community-based entity’ means a public or private  
22                 nonprofit organization that—

23                   “(A) has experience with meeting unmet  
24                   human, educational, environmental, or public  
25                   safety needs; and

1                 “(B) meets other such criteria as the Di-  
2                 rector may establish.

3                 “(4) ELIGIBLE ENTITY.—The term ‘eligible en-  
4                 tity’ means—

5                 “(A) a B Corps partnership; or

6                 “(B) a community-based entity.

7                 “(5) INTERVENTION.—The term ‘intervention’  
8                 means a specific service delivered to achieve an im-  
9                 pact through a national service pay for results  
10                 project.

11                 “(6) NATIONAL SERVICE PAY FOR RESULTS  
12                 MODEL.—The term ‘national service pay for results  
13                 model’ means a method of financing national service  
14                 programs in which—

15                 “(A) Federal funds are awarded to an eli-  
16                 gible entity, only if the entity achieves certain  
17                 outcomes agreed on by the entity and the Di-  
18                 rector;

19                 “(B) the eligible entity coordinates with  
20                 the Director and investors to identify—

21                 “(i) an intervention expected to  
22                 produce the outcome; and

23                 “(ii) investors to fund the delivery of  
24                 the intervention; and

1               “(C) the eligible entity implements the  
2               intervention through the use of volunteers.

3               “(7) NATIONAL SERVICE PAY FOR RESULTS  
4               PROJECT.—The term ‘national service pay for re-  
5               sults project’ means a project that finances national  
6               service programs using a national service pay for re-  
7               sults model.

8       **“SEC. 132. NATIONAL SERVICE PAY FOR RESULTS PILOT**  
9               **PROGRAM.**

10          “(a) NOTICE.—Not later than 3 months after the  
11       date of enactment of this part, the Director shall publish  
12       in the Federal Register a request for proposals from eligi-  
13       ble entities for national service pay for results projects in  
14       accordance with this section.

15          “(b) REQUIRED OUTCOMES FOR NATIONAL SERVICE  
16       PAY FOR RESULTS PROJECT.—To qualify as a national  
17       service pay for results project under this part, a project  
18       must effectively utilize volunteers to produce 1 or more  
19       measurable, clearly defined outcomes that result in Fed-  
20       eral savings and social benefit through any of the activities  
21       described in subparagraphs (B) of paragraphs (1) through  
22       (5) of section 122(a) of the National and Community  
23       Service Act of 1990 (42 U.S.C. 12572(a)) or described  
24       in section 103(a).

1       “(c) APPLICATION REQUIRED.—The notice described  
2 in subsection (b) shall require an eligible entity to submit,  
3 not later than 6 months after the date of publication in  
4 the Federal Register under subsection (a), an application  
5 for the national service pay for results project that ad-  
6 dresses each of the following:

- 7           “(1) The outcome goals of the project.
- 8           “(2) The anticipated number of volunteers  
9 needed to implement the project.
- 10          “(3) The criteria used to determine the eligi-  
11 bility of a volunteer for the project, including how  
12 the potential volunteers will be identified, how such  
13 volunteers will be recruited for the project, and how  
14 such volunteers will be trained for their roles in the  
15 project.
- 16          “(4) A description of each intervention in the  
17 project and anticipated outcomes of the intervention.
- 18          “(5) A plan for implementing each intervention  
19 through the use of volunteers.
- 20          “(6) Rigorous evidence demonstrating that the  
21 intervention can be expected to produce the desired  
22 outcomes.
- 23          “(7) The target population that will be served  
24 by the project.

1           “(8) The expected social benefits to individuals  
2 who receive the intervention, the volunteers working  
3 on the project, and others who may be impacted.

4           “(9) The projected cost to the eligible entity to  
5 carry out the project, and any costs to the Federal,  
6 State, or local government associated with the  
7 project.

8           “(10) Projected Federal, State, and local gov-  
9 ernment savings and other savings, including an es-  
10 timate of the savings to the Federal Government, on  
11 a program-by-program basis and in the aggregate, if  
12 the project is implemented and the outcomes are  
13 achieved as a result of the intervention.

14           “(11) If savings resulting from the successful  
15 completion of the project are estimated to accrue to  
16 a State or local government, the likelihood of the  
17 State or local government to realize those savings.

18           “(12) A description of the expertise of the eligi-  
19 ble entity, including a summary of the experience of  
20 the entity in delivering the proposed intervention or  
21 a similar intervention, or demonstrating that the en-  
22 tity has the expertise necessary to deliver the pro-  
23 posed intervention.

1           “(13) An explanation of the experience of the  
2 eligible entity in raising private and philanthropic  
3 capital to fund social service investments.

4           “(14) A description of the expertise of investors  
5 that the eligible entity intends to partner with, to  
6 the extent that the eligible entity may have identified  
7 those investors by the time the application is sub-  
8 mitted.

9           “(15) A summary of the unmet need in the  
10 area where the intervention will be delivered or  
11 among the target population who will receive the  
12 intervention.

13           “(16) The proposed payment terms, the meth-  
14 odology used to calculate outcome payments, the  
15 payment schedule, and performance thresholds.

16           “(17) The project budget.

17           “(18) The project timeline, provided that all  
18 projects shall be limited to a duration of 5 years.

19           “(19) The criteria used to determine the eligi-  
20 bility of an individual to be served by the project, in-  
21 cluding how selected populations will be identified,  
22 how they will be referred to the project, and how  
23 they will be enrolled in the project.

24           “(20) The evaluation design.

1           “(21) The metrics that will be used in the eval-  
2       uation to determine whether the outcomes have been  
3       achieved as a result of the intervention and how the  
4       metrics will be measured.

5           “(22) An explanation of how the metrics used  
6       in the evaluation to determine whether the outcomes  
7       achieved as a result of the intervention are inde-  
8       pendent, objective indicators of impact and are not  
9       subject to manipulation by the eligible entity or in-  
10      vestor.

“(23) A summary explaining the independence of the evaluator from the other entities involved in the project and the evaluator’s experience in conducting rigorous evaluations of program effectiveness including, where available, well-implemented randomized controlled trials on the intervention or similar interventions.

18               “(24) Any potential payment disputes related to  
19               the outcomes of the evaluation.

“(25) The capacity of the eligible entity to deliver the intervention to the number of volunteers the eligible entity proposes to serve in the project.

23 "SEC. 133. AWARDING NATIONAL SERVICE PAY FOR RE-  
24 SULTS PILOT PROGRAM FUNDS.

**25        "(a) TIMELINE IN AWARDING AGREEMENT.—**

1           “(1) IN GENERAL.—Not later than 3 months  
2        after the deadline for applications in accordance  
3        with section 132 has expired, the Director shall se-  
4        lect not less than 4 and not more than 6 eligible en-  
5        tities to participate in national service pay for re-  
6        sults projects.

7           “(2) FEWER APPLICANTS.—Notwithstanding  
8        paragraph (1), if fewer than 4 eligible entities meet  
9        the requirements of this part, the Director may se-  
10       lect fewer than 4 entities.

11        “(b) CONSIDERATIONS IN AWARDING AGREEMENT.—  
12      In determining whether to enter into an agreement for a  
13      national service pay for results project (the application for  
14      which was submitted under section 132) the Director  
15      shall—

16           “(1) seek to ensure geographic diversity in se-  
17        lected entities, including by selecting not less than 1  
18        eligible entity that plans to serve a rural community  
19        and not less than 1 eligible entity that plans to serve  
20        an urban community; and

21           “(2) consider—

22               “(A) the anticipated utilization of volun-  
23        teers, and whether the eligible entity plans to  
24        utilize volunteers who come from a high-risk  
25        background;

1                 “(B) the value to the Federal Government  
2                 of the outcomes expected to be achieved if the  
3                 outcomes specified in the agreement are  
4                 achieved as a result of the intervention;

5                 “(C) the likelihood, based on evidence pro-  
6                 vided in the application and other evidence, that  
7                 the eligible entity will achieve those outcomes;

8                 “(D) the savings to the Federal Govern-  
9                 ment if the outcomes specified in the agreement  
10                 are achieved as a result of the intervention;

11                 “(E) the savings to State and local govern-  
12                 ments if the outcomes specified in the agree-  
13                 ment are achieved as a result of the interven-  
14                 tion; and

15                 “(F) the expected quality of the evaluation  
16                 that would be conducted with respect to the  
17                 agreement.

18                 “(c) AGREEMENT AUTHORITY.—

19                 “(1) AGREEMENT REQUIREMENTS.—The Direc-  
20                 tor may enter into an agreement for a national serv-  
21                 ice pay for results project with an eligible entity se-  
22                 lected under this part if the Director determines  
23                 that each of the following requirements are met:

24                 “(A) The eligible entity agrees to achieve 1  
25                 or more outcomes as a result of the interven-

1           tion, as specified in the agreement and vali-  
2           dated by independent evaluation, in order to re-  
3           ceive payment.

4           “(B) The Federal payment to the eligible  
5           entity for each specified outcome achieved as a  
6           result of the intervention is less than or equal  
7           to the value of the outcome to the Federal Gov-  
8           ernment over a period not to exceed 10 years,  
9           as determined by the Director, in consultation  
10          with the entity.

11          “(C) The project will begin not more than  
12          12 months after the eligible entity has been se-  
13          lected.

14          “(D) The duration of the project does not  
15          exceed 5 years.

16          “(E) The eligible entity has demonstrated,  
17          through the application submitted under section  
18          132, that, based on prior rigorous experimental  
19          evaluations or rigorous quasi-experimental stud-  
20          ies, the intervention can be expected to achieve  
21          each outcome specified in the agreement.

22          “(F) The eligible entity has experience  
23          raising private or philanthropic capital to fund  
24          social service investments. To the extent the eli-  
25          gible entity does not have such experience or is

1           unable to secure private or philanthropic capital  
2           prior to its application submission, the Director  
3           may assist selected programs in attaining such  
4           funding.

5           “(G) The eligible entity applying for the  
6           program has shown that it has experience deliv-  
7           ering the intervention, a similar intervention, or  
8           has otherwise demonstrated the expertise nec-  
9           essary to deliver the intervention.

10          “(H) The project will utilize volunteers to  
11          implement the intervention.

12          “(2) ABILITY TO FINANCE PROJECT.—

13          “(A) PLAN.—On the date that is 6 months  
14          after the date of an agreement under this sub-  
15          section—

16           “(i) the eligible entity shall provide  
17           the Director with a plan demonstrating  
18           that the entity has the capability to fully  
19           fund the up-front costs of the project and  
20           will have such funds available and reserved  
21           for the project not later than 1 year after  
22           the date of such agreement; and

23           “(ii) if the Director finds that the eli-  
24           gible entity is not likely to have the capa-  
25           bility to fully fund the up front costs of the

1                   project, the Director may terminate such  
2                   agreement.

3                 “(B) FUNDS RESERVED.— On the date  
4                   that is 6 months after the date of an agreement  
5                   under this subsection, if the eligible entity does  
6                   not have the funds available and reserved to  
7                   fully fund the up-front costs of the project, the  
8                   Director may terminate the agreement under  
9                   this subsection.

10                “(3) IMPACT OF SELECTION.—Subject to para-  
11                   graph (2), for purposes of applying provisions of  
12                   part A and part C, if the Director enters into an  
13                   agreement with an entity for a project under this  
14                   section—

15                “(A) except with respect to provisions that  
16                   are otherwise specified in this part, the entity  
17                   shall be considered a sponsoring organization of  
18                   VISTA; and

19                “(B) subject to subsection (d) and except  
20                   with respect to provisions that are otherwise  
21                   specified in this part, the volunteers partici-  
22                   pating in that project shall be considered  
23                   VISTA volunteers.

24                “(4) PAYMENT.—

1                 “(A) IN GENERAL.—The eligible entity se-  
2                 lected under this part shall pay the entire up-  
3                 front costs of the project under this part.

4                 “(B) OUTCOME PAYMENT.—The Director  
5                 shall pay the selected eligible entity, after com-  
6                 pletion of the project, only if the independent  
7                 evaluator described in section 134(b) deter-  
8                 mines that the national service pay for results  
9                 project has met the requirements specified in  
10                 the agreement and achieved an outcome as a  
11                 result of the intervention, as specified in the  
12                 agreement and validated by independent evalua-  
13                 tion.

14                 “(C) AMOUNT OF PAYMENT.—The Direc-  
15                 tor shall have discretion in determining the  
16                 amount of funds awarded for each pay for re-  
17                 sults project under this part, except that such  
18                 amount shall be specified as part of the agree-  
19                 ment with each entity under this section.

20                 “(d) VOLUNTEERS.—The assignment of volunteers  
21                 under this part, and the provision of support for such vol-  
22                 unteers, including any subsistence allowances and sti-  
23                 pends, shall be on such terms and conditions as the Direc-  
24                 tor shall determine to be appropriate, but shall not exceed  
25                 the level of support provided under section 105. Projects

1 using volunteers who do not receive stipends may also be  
2 supported under this part.

3 **“SEC. 134. EVALUATIONS.**

4       “(a) AUTHORITY TO ENTER INTO AGREEMENTS.—  
5 For each eligible entity awarded a national service pay for  
6 results project approved by the Director under this part,  
7 the Director shall enter into an agreement with such eligi-  
8 ble entity to pay for all or part of the independent evalua-  
9 tion to determine whether the entity’s project has achieved  
10 a specific outcome as a result of the intervention in order  
11 for the selected entity to receive outcome payments under  
12 this part.

13       “(b) EVALUATOR QUALIFICATIONS.—The Director  
14 may not enter into an agreement with an entity under this  
15 section unless the Director determines that—

16           “(1) the evaluator is independent of the other  
17 parties to the agreement; and

18           “(2) the evaluator has demonstrated substantial  
19 experience in conducting rigorous evaluations of pro-  
20 gram effectiveness including, where available and ap-  
21 propriate, well-implemented randomized controlled  
22 trials on the intervention or similar interventions.

23       “(c) METHODOLOGIES TO BE USED.—The evalua-  
24 tion used to determine whether an eligible entity will re-  
25 ceive outcome payments under this part shall use experi-

1 mental designs using random assignment, or other reli-  
2 able, evidence-based research methodologies that allow for  
3 the strongest possible causal inferences when random as-  
4 signment is not feasible.

5       “(d) PROGRESS REPORT.—

6           “(1) SUBMISSION OF REPORT.—The eligible en-  
7 tity shall ensure that the independent evaluator  
8 will—

9               “(A) not later than 2 years after a project  
10 has been approved by the Director and annually  
11 thereafter until the project is concluded, submit  
12 to the Director a written report summarizing  
13 the progress that has been made in achieving  
14 each outcome specified in the agreement; and

15               “(B) before the scheduled time of the first  
16 outcome payment and before the scheduled time  
17 of each subsequent payment, submit to the Di-  
18 rector a written report that includes the results  
19 of the evaluation conducted to determine whether  
20 an outcome payment should be made along  
21 with information on the unique factors that  
22 contributed to achieving or failing to achieve  
23 the outcome, the challenges faced in attempting  
24 to achieve the outcome, and information on the

1           improved future delivery of this or similar inter-  
2           ventions.

3           “(2) SUBMISSION TO THE CEO AND CON-  
4           GRESS.—Not later than 30 days after receipt of the  
5           written report pursuant to paragraph (1)(B), the Di-  
6           rector shall submit the report to each of the author-  
7           izing committees.

8           “(e) FINAL REPORT.—

9           “(1) SUBMISSION OF REPORT.—The eligible en-  
10          tity shall ensure that the independent evaluator will,  
11          not later than 6 months after the national service  
12          pay for results project is completed—

13           “(A) evaluate the effects of the activities  
14          undertaken pursuant to the agreement with re-  
15          gard to each outcome specified in the agree-  
16          ment; and

17           “(B) submit to the Director a written re-  
18          port that includes the results of the evaluation  
19          and the conclusion of the evaluator as to whether  
20          the eligible entity has fulfilled each obligation  
21          of the agreement, along with information on the  
22          unique factors that contributed to the success  
23          or failure of the project, the challenges faced in  
24          attempting to achieve the outcome, and infor-

1 mation on the improved future delivery of this  
2 or similar interventions.

3 “(2) SUBMISSION TO THE CEO AND CON-  
4 GRESS.—Not later than 30 days after receipt of the  
5 written report pursuant to paragraph (1)(B), the Di-  
6 rector shall submit the report to each authorizing  
7 committees.

8 “(f) LIMITATION ON COST OF EVALUATIONS.—Of  
9 the amounts appropriated to carry out this part, the Di-  
10 rector may not obligate more than 15 percent to evaluate  
11 the implementation and outcomes of the projects under  
12 this part.

13 **“SEC. 135. FUNDING.**

14 “(a) PROHIBITION ON FEDERAL FUNDING FOR  
15 CREDIT ENHANCEMENTS.—No amount appropriated to  
16 carry out this part may be used to provide any insurance,  
17 guarantee, or other credit enhancement to an eligible enti-  
18 ty under which a Federal payment would be made to an  
19 eligible entity, as the result of such entity failing to  
20 achieve an outcome specified in an agreement.

21 “(b) MATCHING FUNDS REQUIREMENTS NOT APPLI-  
22 CABLE.—An entity awarded an agreement under this part  
23 shall not be subject to a matching funds requirement.”.

1     **SEC. 5. AUTHORIZATION OF APPROPRIATIONS.**

2         There are authorized to be appropriated a total of  
3     \$5,000,000—

4             (1) to carry out part IV of subtitle H of title  
5     I of the National and Community Service Act of  
6     1990 (42 U.S.C. 12653 et seq.), as amended by sec-  
7     tions 2 and 3 of this Act; and

8             (2) to carry out part D of title I of the Domes-  
9     tic Volunteer Service Act of 1973 (42 U.S.C. 4950  
10    et seq.).

○